GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3134
ANSWERED ON:05.08.2002
FUNCTION OF AGRICULTURAL INDUSTRIES IN THE COUNTRY
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Will the Minister of AGRICULTURE be pleased to state:

(a) the present status of the agricultural industries in the country;

(b) the details of the measures taken by the Government to improve the functioning of these industries;

(c) the amount provided by the Government therefor; and

(d) the steps to be taken by the Government in the Tenth Five Year Plan for the healthy development of this industry?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)&(b): Agricultural industries include both food and non-food industries. According to a recent study got conducted through National Council for Applied & Economic Research (NCAER), the overall growth of food processing industries was 5.8% during the 9th Plan. A number of policy initiatives have been taken by the Government from time to time and financial assistance is being extended through plan Schemes for the development of this sector.

With regard to agro and rural industries, the Government, through the Khadi andVillage Industries Commission (KVIC) is implementing the Rural Employment Generation Programme (REGP) throughout the country for the development of agro andrural industries. The cumulative State-wise projects sanctioned under REGP as on30.6.2000 was 1,40,685. Under the Scheme the KVIC provides margin money assistance at the rate of 25% of the project cost upto Rs.10 lakhs and for the project above Rs.10 lakhs and upto Rs.25 lakhs, rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project.

(c): An amount of Rs.195 crores was utilized under Plan funds by the Ministry of Food Processing Industries during the 9th Plan.

The funds released by the Government to Khadi and Village IndustriesCommission under Rural Employment Generation Programme (REGP) during the last three years were as under:-

Year	Rs. in lakhs
1999-2000	1103
2000-2001	11000
2001-2002	15000

(d): During the 10th Plan, the Ministry of Food Processing Industries has given aspecial emphasis on infrastructure development like food parks, value added centres, integrated cold chain, irradiation etc. Besides, Schemes for quality assurance, backward and forward integration are also proposed for implementation.

For strengthening of Khadi and Village Industries sector, a special package was announced by the Government on 14.5.2001, which is under different phases of implementation. The Package inter-alia provides for insurance cover to Khadi artisans,option between rebate and Market Development Assistance (MDA), creation ofpackaging and design facilities, measures to promote marketing, brand building and cluster development, technology upgradation, quality control, marketing through publicity and advertisement etc.